Taxes levied under Article 276 of the Constitution

802. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE be pleased to State:

(a) whether it is a fact that tax on profession, trades, employment, etc. are levied under Article 276 of the Constitution of India and that as per the 1988 amendment, the maximum tax that can be collected from an individual is fixed as Rs. 2500/- per annum;

(b) if so, the details thereof;

(c) whether having regard to the present rate of inflation and buoyancy in services, the State Government of Karnataka has requested of the tax to Rs. 10,000/- per annum; and

(d) if so, the details thereof and Centre's response thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) Yes, Sir. As per constitution (Sixtieth Amendment) Act, 1988, with effect from 20.12.1988, the total amount payable in respect of any person to State or to any one municipality, district board, local board or other authority in the State by way of taxes on professions, trade, callings and employment was raised to "two thousand and five hundred rupees" per annum.

(c) and (d) No formal written proposal has been received from Government of Karnataka. Government of Karnataka has informed that it has proposed for revision of this limit at various fora of discussion with the Central Government. The Central Government is considering revision of the ceiling on profession tax, by amending Article 276.

Security measures for the Stock Market

803. SHRI P.R. RAJAN: Will the Minister of FINANCE be pleased to state:

(a) whether his Ministry is proposing any security measures for the benefit of investors in the background of fragile nature of the Stock Market; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL): (a) and (b) SEBI and the Exchanges have put in place systems and practices to promote a safe, transparent and efficient market and to protect market integrity. The systems include advanced risk management mechanism comprising on-line monitoring and surveillance and various limits on positions, margin requirements, circuit filters, etc. Besides, SEBI keeps a constant vigil on the market, and in case of any abnormality, take appropriate action against the concerned entities. SEBI, Exchanges and market participant organise investor awareness and education programmes. The systems and practices are continiously reviewed and modified in the interest of investors.

Surplus capital with Public Sector Enterprises

†804. SHRI RAJ MOHINDER SINGH MAJITHA:
SHRI RAM JETHMALANI:

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether it is a fact that Public Sector Enterprises in the country are having huge amount of capital which is not invested in production work directly;

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†Original notice of the question was received in Hindi.

(b) if so, the total amount of this capital by the end of March, 2007;

(c) the average rate of annual increase in this capital during the last three years;

(d) whether Government has formulated any policy regarding investing this surplus capital in production again; and

(e) if so, the details thereof?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): (a) and (b) As per Public Enterprises Survey, 2005-06, the Central Public Sector Enterprises (CPSEs) had a cash and bank balance of Rs. 1,50,680 crore, Rs. 1,29,428 crore and Rs. 84, 979 crore as on 31.3.2006, 31.3.2005 and 31.3.2004 representively.

(c) The annual increase in the cash and bank balances during the year 2005-06 was 16.42% over the year 2004-05 and 52.31% during the year 2004-05 over the year 2003-04.

(d) and (e) Boards of concerned CPSEs take decision for deployment of surplus funds as stipulated in the guidelines issued by the Government from time to time. Recently, the Government have also decided to allow Navratna and Mini-Ratna CPSEs to invest their surplus funds in SEBI regulated Public Sector Mutual Funds subject to certain conditions.

Merger/reorganization/technology conversion of sick PSUs

†805. SHRI LALIT KISHORE CHATURVEDI: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether it is a fact thay many Public Sector Undertaking (PSUs) are running in losses in the country with the details of losses of each undertaking, year-wise;

(b) the number of undertakings given permission for their revival and outcome thereof;

(c) whether Government is considering upon any programme of merger/reorganization of these PSUs with other undertakings; and

(d) whether Government is considering upon any scheme to make these loss making undertakings profitable by technology conversion/advancement?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV): (a) As per Public Enterprises Survey (PE Survey) 2005-06, which is a public document and was laid before the both Houses of Parliament, 58 Central Public Sector Enterprises (CPSEs) have incurred losses of Rs. 5952 crore during the year 2005-06. The details of losses of each CPSE are available in Statement No. 7B of Volume 1 of PE Survey of the respective year.

(b) Based on the recommendations of Board for Reconstruction of Public Sector Enterprises (BRPSE), Government have approved the proposals for revival of 26 cases of CPSEs through revival package/joint venture/disinvestment/merger and closure of 2 CPSEs involving total cash assistance of Rs. 8264 crore in the form of fresh infusion of funds, waiver/write-offs etc. In addition, Government have also approved revival package of Nagaland Pulp and Paper Co. Ltd. envisaging total assistance of Rs. 788 crore from Government in the form of fresh infusion of funds, waivers/write-offs etc,

(c) and (d) Based on the recommendation of Board for Reconstruction of Public Sector Enterprises (BRPSE) NEPA Ltd., HMT Bearings Limited, Richardson & Cruddas Ltd.,

†Original notice of the question was received in Hindi.